



OFFICE OF
CHIEF COUNSEL

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

11/15/2001

Number: **INFO 2001-0298**

Release Date: 12/31/2001

457.00-00



Dear Senator [REDACTED]

This letter responds to your inquiry of October 4, 2001, addressed to Floyd Williams, National Director of Legislative Affairs. You wrote on behalf of your constituent, [REDACTED], regarding section 457 of the Internal Revenue Code. She asks why she cannot revise her schedule for withdrawals from her section 457 plan account. As you have requested, I have responded directly to her and enclosed a copy of our response and general information about section 457, including some revisions recently enacted by the Economic Growth and Tax Relief Reconciliation Act of 2001, Pub. L. No. 107-16.

I hope this information is helpful. If you need further information, please contact John Tolleris ([REDACTED]) of my staff at (202) 622-6060.

Sincerely,

SARAH HALL INGRAM
Division Counsel/Associate Chief Counsel
(Tax Exempt & Government Entities)

Enclosure:



CHIEF COUNSEL

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

11/15/2001

457.00-00

[REDACTED]

Dear [REDACTED]

I apologize for the delay in responding to your letter dated August 23, 2001, to Senator [REDACTED]. You wrote about the distribution requirements of section 457 of the Internal Revenue Code. You are concerned about the difficulty in changing the distribution schedule for your section 457 plan account.

Although I cannot discuss your case specifically without additional information, including a copy of your former employer's section 457 plan, I have enclosed an attachment with general information about section 457 and the restrictions on distributions from section 457 plans, which remain in effect for governmental plans through the end of this year.

The enclosure also discusses several revisions to section 457 that recently became law in the form of the Economic Growth and Tax Relief Reconciliation Act of 2001, Pub. L. No. 107-16. These statutory amendments, which become effective in 2002, include changes in the distribution rules that may be beneficial to you.

I hope the information is helpful. If you need further information, please contact me or John Tolleris ([REDACTED]) of my staff at (202) 622-6060.

Sincerely,

Robert D. Patchell
Acting Branch Chief
Office of Associate Chief Counsel
(Tax Exempt and Government Entities)

Enclosure (1)